

on his board. *[Laughter]* And if she were here, she would say she has white hair because of me. *[Laughter]*

I'm thrilled to see the Baldrige family. Thank you all for being here, and thank you for staying with this award. They tell me you never miss, Midge, and that's important.

I want to congratulate the winners who are here, the CEO's, the leaders, the employees, the rowdy Texans. *[Laughter]*

[At this point, the audience whistled and cheered.]

I rest my case. *[Laughter]* It's an honor to be here.

U.S. Navy Aircraft Incident

Before I begin, I would like to update you on the situation in China. Earlier this morning I talked with General Sealock who, once again, visited with our crew for about an hour today and reports that they are doing just fine. They are housed in officers' quarters, and they are being treated well. We're proud of these young men and women who are upholding the high standards of our Armed Forces. We know this is a difficult time for their families, and I thank them for their patriotism and their patience. We're working hard to bring them home through intensive discussions with the Chinese Government, and we think we're making progress.

Malcolm Baldrige National Quality Awards

And now, to the business at hand. It's an honor to be here, to be a part of an award ceremony that has stood the test of time. And the reason why is that it's based on principles, such as high standards, quality, and excellence.

The philosophy of Malcolm Baldrige and the Baldrige Awards make clear that everyone in an organization has a voice, a philosophy which trusts everyone with responsibility. Quality comes from giving people the tools and training their jobs require, the authority they need to do their work the way they think is best, the dignity that comes with knowing that their views matter. To do good work, we need great workers and great companies, such as those represented here, treat great workers with respect and fairness.

The Baldrige way is good business. The hypothetical Baldrige Index, a stock market index composed of the shares of those Baldrige winners that are publicly traded, has outperformed the S&P 500 for 7 years in a row. As the example of Los Alamos National Bank shows, caring for our communities is a form of quality, as well. And that quality will be rewarded with customer satisfaction and customer loyalty.

The Baldrige quality message is coming to health care and to education. Health care and education were added as categories in 1999. I realize there are no winners yet, but 25 organizations applied in '99 and 19 more in the year 2000. I look forward to presenting the first Baldrige Award in these categories soon.

We thank the Baldrige Foundation, the examiners, the judges, the foundation members, all the volunteers who work so hard. And thank you for your devotion to the highest ideals of American business.

These efforts do justice to the memory of an extraordinary man, Malcolm Baldrige, one of this country's outstanding public servants. He served as Commerce Secretary at a time when many doubted that American goods could compete in world markets. He dedicated himself to proving the doubters wrong. He succeeded, and America is stronger thanks to him and the award established to honor him.

Thank you for having me.

NOTE: The President spoke at 1:52 p.m. at the Crystal Gateway Marriott Hotel. In his remarks, he referred to Secretary of Transportation and former Secretary of Commerce Norman Y. Mineta; Michael Wood, president, Foundation for the Malcolm Baldrige National Quality Award, Inc.; Margaret "Midge" Baldrige, widow of Malcolm Baldrige; and Brig. Gen. Neal Sealock, USA, U.S. Embassy Defense Attache in Beijing.

Remarks on Presenting the Horatio Alger Awards

April 6, 2001

Thank you very much. Welcome to the White House.

Wayne, thank you very much for your kind remarks. It is a real honor for me to be here

to congratulate the 105 national scholars, to thank the universities who are going to match the scholarship money that you all have raised, and to thank the award recipients and congratulate you for the example you've set for America.

Senate Action on Federal Budget Legislation

Before I begin, I want to say I've got a little news I'd like to report. I'm really pleased to report that the United States Senate just moments ago passed a budget that funds our Nation's priorities and allows for over \$1.2 trillion of meaningful, real tax relief for the American people.

The House has already passed \$1.6 trillion of tax relief. Now the House and Senate will work to find common ground between these two budget plans, and the result will be the largest tax relief in decades. The fact that both Houses of Congress have committed to provide significant relief is good for the American people, and it's good for our economy.

When the House and Senate complete their work, they will have paved the way so the American people can receive an across-the-board income tax reduction, a doubling of the child credit, relief from the marriage penalty, and the elimination of the death tax. This budget also wisely increases spending on education, funds priorities like Medicare and Social Security, and pays down a record amount of debt. I applaud today's action and congratulate the Republicans and Democrats who helped make it happen.

Horatio Alger Awards

And I'd like to congratulate this year's recipients. All of you have amazing stories of adversities overcome and great goals attained: The son of a Polish immigrant who started out in his father's burlap bag business and is now the chairman and CEO of two major corporations; a man who, in his youth, helped support his family, right here in the Washington area, and then went on to become the founder of America Online; a young woman who mortgaged the family house for money to start her business and now runs a major construction company; a managing partner of a baseball team—and

I know how much he suffers—[*laughter*—two well-respected leaders from my home State of Texas; a successful son of a preacher, now chairman and CEO of Lanier Worldwide, Inc—one of you began work at age 8 to help your mother sustain the family because of illness of your father; and he is here proudly as the chairman and CEO of Fannie Mae—and finally, the CEO and president of Burger King, who experienced tough times but overcame them with dignity.

I am privileged to be here with you all. And one is not able to be here, a man I'm proud to call an ally, a fellow who, before I came, I can tell you, he voted right—[*laughter*—and that's Senator Chuck Hagel. This is an award that all of you deserve, and we're sure honored to have you here in the White House.

It's also good to see Mrs. Ruth Peale here with us. Doctor and Mrs. Peale, I think you've been here several times before, and it is my honor to welcome you again.

It's fitting that all of you should gather in the people's house. This is the right place to honor the recipients of this award and perhaps a future president.

There are quite a few Horatio Alger stories among the folks who have lived here: A small Missouri farmer who never graduated from college and spent his best years working on the farm, who would eventually lead America as it became a world power, Harry S Truman; or a poor boy from Iowa, orphaned at age 9, who as a man would save millions in Europe from starvation after two World Wars, President Herbert Hoover; a child of the frontier who would become a land surveyor, a store clerk, a lawyer, a legislator, and one day helped to free slaves and save the Union, Abraham Lincoln.

The Horatio Alger Association is dedicated to really one of the basic truths about this country, and I hope this home remains dedicated to the same truth. In America, we believe in the possibilities of every person. It doesn't matter how you start out in life; what really matters is how you live your life. That has always been our creed. It has always given hope to those who dream of a better life. And that hope has always been the source of our Nation's greatness.

At the Horatio Alger Association, you also understand how much the dream depends on education. And for that, all of us should be grateful. You promote literacy and early reading. You provide millions of dollars in scholarships based upon need and talent. You understand that the hope for a better life often begins in the classroom.

A good education can be the first real break a person gets in life. A young person might have big dreams for the future, but if he or she can't read, then the highest of hopes probably won't carry them very far.

We have a duty to every child in America to give them the best possible start in life, to make every school a place of learning and of discipline and of character. We take this responsibility seriously in our country, as we should.

But lately, we've been falling well short of our professed goals. Just today we learned the latest results from the National Assessment of Education Progress, known as the NAEP, which measures reading skills amongst our fourth graders. Unfortunately, the test reveals no progress at all amongst children in need of help. And it shows a further widening of the gap between the highest and lowest performing students. The highest scores are higher; the lowest scores are lower. Good students are scoring better; struggling students are struggling more. This is not acceptable.

The NAEP provides an important service. It shows us where the need is greatest amongst our students. And these results point out, once again, the need for a strong emphasis on early reading. The budget I submitted to Congress would accomplish this with a Reading First Program and reformed Title I Programs. My budget gives the highest priority to education with an 11.5 percent increase in overall funding. It triples the current spending on reading and early detection of children facing reading difficulties.

The House and Senate are working closely to pass a budget with this kind of focus. I applaud them for their efforts. It's important that we work together, because reading is what really turns children into students. It is the most basic of all basics. That was true in the 19th century, when Horatio Alger lived, and it's just as true for children today.

His stories call to mind an era very distant from ours, and they were just stories, but they had a point, and they showed young readers the way.

Such stories are still being written in America, in every town and city, every day, and in real life. Today we recognize 10 such lives, the example they set and the promise they hold for others to follow. And it is my honor to honor them.

God bless.

NOTE: The President spoke at 3:03 p.m. in the East Room at the White House. In his remarks, he referred to H. Wayne Huizenga, member, Horatio Alger Association of Distinguished Americans, who introduced the President; and Ruth Stafford Peale, founder, Guideposts magazine, and widow of Norman Vincent Peale. The President also referred to Title I of the Improving America's Schools Act of 1994 (Public Law No. 103-382), which amended Title I of the Elementary and Secondary Education Act of 1965 (Public Law No. 89-10).

Statement on Senate Action on Federal Budget Legislation

April 6, 2001

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